

Congress of the United States
Washington, DC 20515

November 15, 2019

The Honorable Sonny Perdue
Secretary
United States Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Ambassador Robert E. Lighthizer
U.S Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20006

Dear Secretary Perdue and U.S. Trade Representative Lighthizer:

We write regarding trade with China and the U.S. hardwood forest products industry. The American hardwood industry has provided good paying jobs in this country for generations and is the economic backbone of many communities in our districts and around the country. A 2018 study found that U.S. hardwood product output was valued at \$135 billion and employed 700,000 people nationwide.

Like many other agricultural commodities, a key driver of growth in the hardwood sector has been exports. With the decline of the U.S. furniture industry, traditionally a key market for domestic producers, the hardwood industry was forced to diversify and seek new foreign markets to offset the underlying market disruption. Because China supplied a strong appetite for sustainably managed, American grown hardwood products, it has become an important trading partner for hardwood producers. Hardwood species such as red oak and cherry became especially popular with the growing Chinese middle-class, providing a much-needed new market for the domestic industry.

U.S. hardwood exports to China hit an all-time high in 2017 and were on track to beat that record in 2018 until the industry felt various retaliatory actions. Since initial tariffs were imposed and resulting retaliatory tariffs levied, exports to China have dropped 43 percent an equivalent of \$615 million. For an industry that is comprised of mostly small, family-owned businesses, these losses have presented incredible challenges. Seemingly every week, mill owners are declaring bankruptcy and employees of these operations are being notified that their jobs are eliminated. For those more financially stable, many workers' shifts are being scaled back to balance production with the reduced demand.

We understand and much appreciate the Administration's commitment to confront many of China's unfair trade practices in the pursuit of a lasting fair-trade deal. Unfortunately, tariffs are a blunt instrument and retaliation to them has come swift to the U.S. agriculture and forest products communities. As Members of Congress representing various sectors of the agriculture industry, we much appreciate the U.S. Department of Agriculture's (USDA) Market Facilitation

Program (MFP). However, the hardwood forest products sector was excluded from this package, despite the fact that hardwood lumber represents 10 percent of the agriculture exports to China and is second only to soybeans as the largest exported commodity to the Chinese market. Unlike row crop farmers, hardwood producers do not have the option of switching crops as a hedge to market uncertainty they are currently experiencing. Hardwood trees take 50 to 75 years to mature, placing producers in a position where they must place a long-term perspective on market conditions.


With this in mind, we respectfully request your consideration of two requests intending to provide relief for the American hardwood industry. First, we first encourage the Administration to seek a quick and equitable resolution to current trade tensions with China, as well as current retaliatory tariffs impacting the industry. Secondly, we ask that the Administration include the hardwood forest products industry in any subsequent MFP payments that may be made available to those sectors being impacted by the current trade dispute with China.

Thank you again for your consideration of these requests and your ongoing efforts to negotiate improved trade agreements. We look forward to working with you to improve market access and a robust American hardwood industry.

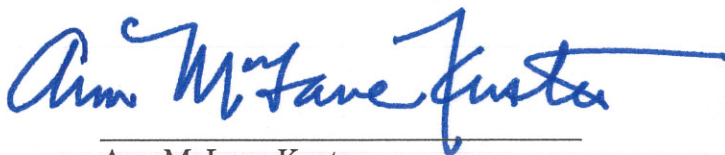
Sincerely,



Glenn 'GT' Thompson
Member of Congress



Anthony Brindisi
Member of Congress



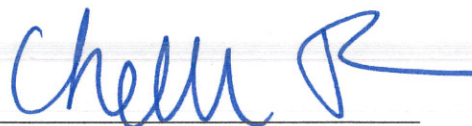
Ann McLane Kuster
Member of Congress



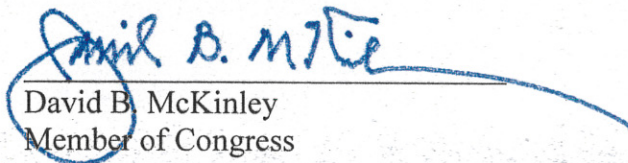
Bruce Westerman
Member of Congress

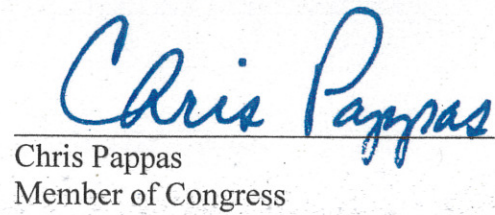


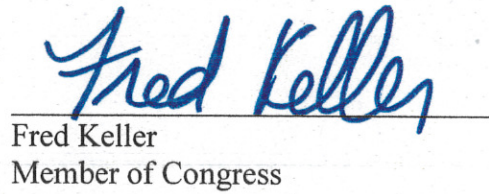
Brian Fitzpatrick
Member of Congress

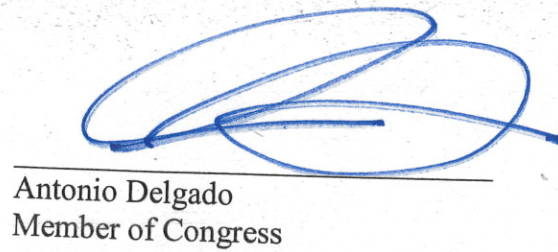


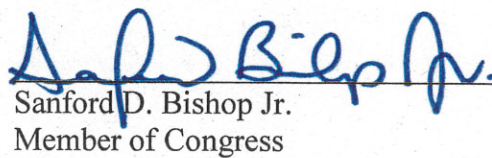
Chellie Pingree
Member of Congress

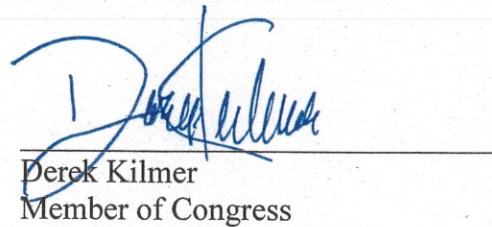

David B. McKinley
Member of Congress

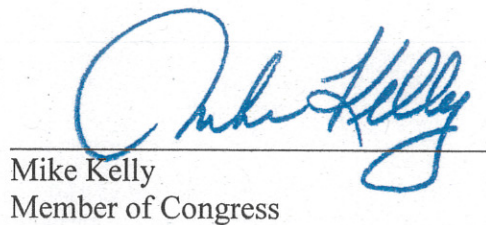

Chris Pappas
Member of Congress

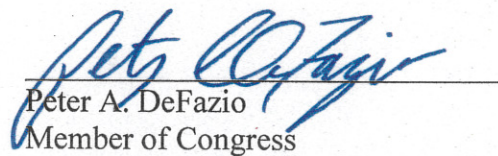

Fred Keller
Member of Congress

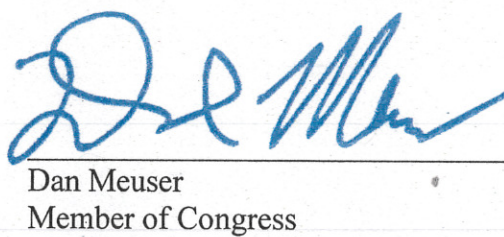

Antonio Delgado
Member of Congress

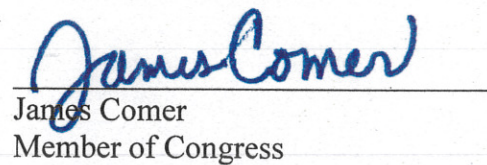

Sanford D. Bishop Jr.
Member of Congress

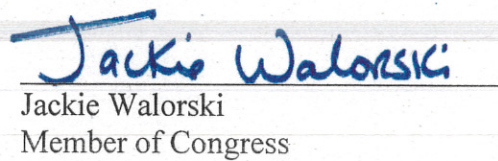

Derek Kilmer
Member of Congress

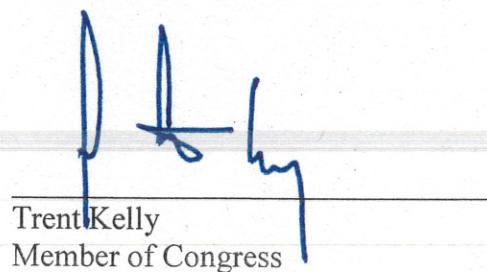

Mike Kelly
Member of Congress


Peter A. DeFazio
Member of Congress


Dan Meuser
Member of Congress



James Comer
Member of Congress


Jackie Walorski
Member of Congress


Trent Kelly
Member of Congress



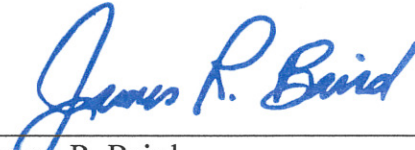
Michael Guest
Member of Congress



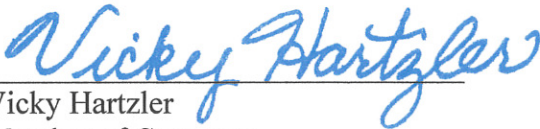
David Kustoff
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Bob Gibbs
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James R. Baird
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Vicky Hartzler
Member of Congress



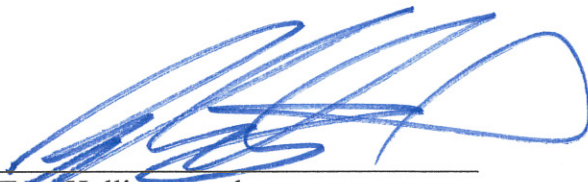
Ben Cline
Member of Congress



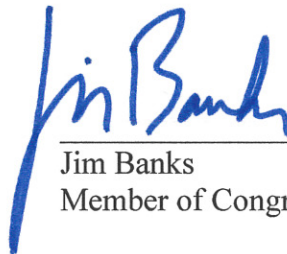
Rick Crawford
Member of Congress



Denver Riggleman
Member of Congress



Trey Hollingsworth
Member of Congress



Jim Banks
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